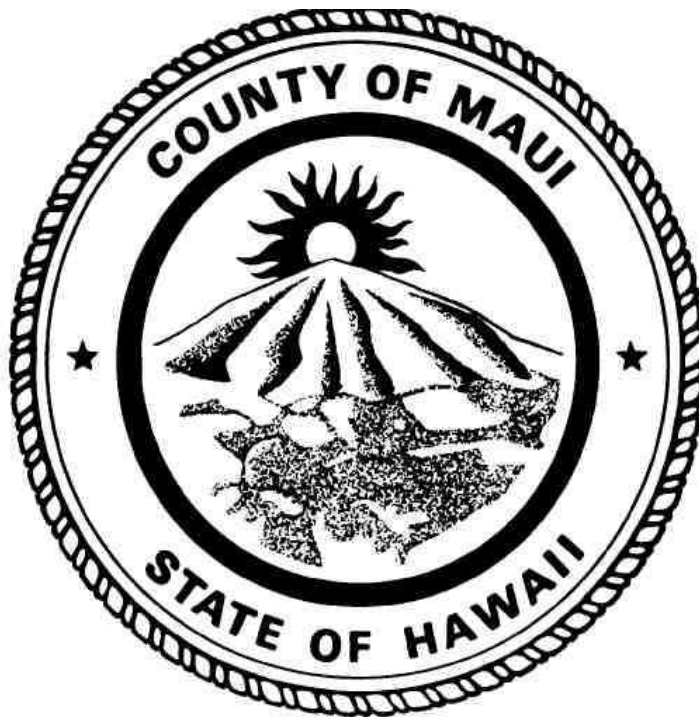


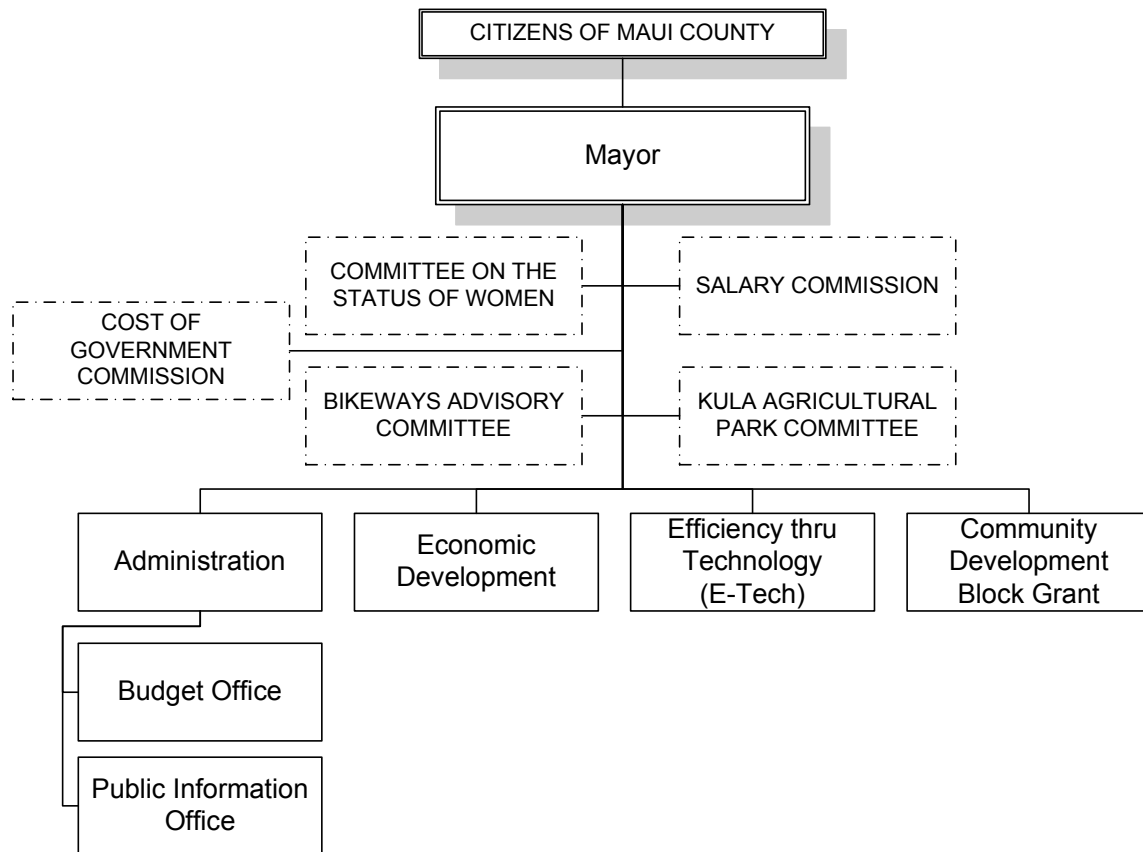
Proposed Budget • Fiscal Year 2007

OFFICE OF THE
Mayor



Department Summary

Organization Chart



Mission Statement

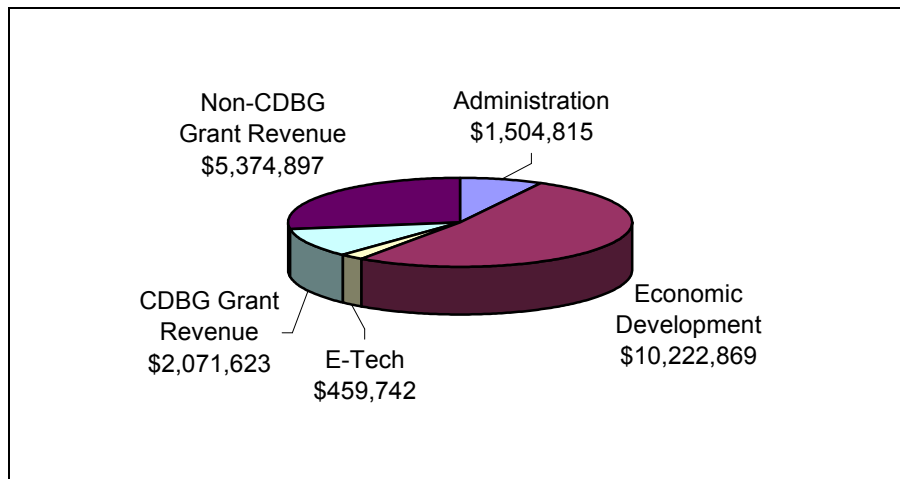
The mission of the Office of the Mayor is to provide clear direction and a leadership team that ensures the accomplishment of the countywide missions and goals.

Department Summary

Financial Summary

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budgeted	FY 2007 Request	Change Amount	% Change
Program Summary						
General Fund						
Administration	898,482	968,437	1,188,885	1,504,815	315,930	26.6%
Economic Development	5,913,844	6,370,372	7,261,961	10,222,869	2,960,908	40.8%
Efficiency Through Technology (E-Tech)	151,386	208,121	410,225	459,742	49,517	12.1%
Subtotal	6,963,712	7,546,930	8,861,070	12,187,426	3,326,356	37.5%
Grant Revenue						
Administration	0	2,000	2,000	2,000	0	n/a
Economic Development	4,239,574	3,193,050	4,952,435	5,372,897	420,462	8.5%
Community Development Block Grant	2,249,986	1,757,928	2,293,143	2,071,623	-221,520	-9.7%
Subtotal	6,489,560	4,952,978	7,247,578	7,446,520	198,942	2.7%
Total	13,453,272	12,499,908	16,108,648	19,633,946	3,525,298	21.9%

FY 2007 Budget by Program



Administration Program

Program Description

The Administration Program within the Office of the Mayor establishes and directs basic management guidelines for all executive departments of the County and serves as a liaison between the County Council and executive departments and agencies.

The program staff oversees and executes the County's operating and capital improvement program budgets, provides support services to County boards and commissions, responds to citizen concerns, organizes the County's legislative agenda, and coordinates internal County communications and the dissemination of information to the public.

Goals

- Identify key priorities and establish management policies that effectively utilize County resources
- Provide the level of leadership, management, administrative support and communication necessary and appropriate to attain countywide mission and goals that are consistent with the mayor's vision for the County

Objectives for Fiscal Year 2007

- Provide clear direction and support to the County
- Promote the County's interest in the state and federal levels
- Facilitate community involvement through boards and commissions, and district meetings
- Disseminate information to County personnel, the general public and the media so they might be aware of County issues, policies and services
- Promote and recognize organizations' and individuals' achievements in the community
- Promote, support and coordinate the County's environmental concerns/policies
- Facilitate both fiscal responsibility and public accountability in the allocation of County resources

Performance Measures

	FY05 Actual	FY06 Projection	FY07 Projection
Provide clear direction and support to County			
▪ Number of new initiatives	25	36	36
▪ Number of active or ongoing projects	125	143	143
▪ Number of completed projects	205	74	74
Promote County's interest in the state and federal levels			
▪ Number of bills initiated	15	15	15
▪ Number of bills tracked/monitored	42	42	42
▪ Number of bills passed that have impact on the County	15	15	15

Administration Program**Performance Measures (Continued)**

	FY05 Actual	FY06 Projection	FY07 Projection
Facilitate community involvement through boards and commissions, and district meetings			
▪ Submit nominees to the County Council within 30 days of boards and commissions vacancies	100%	100%	100%
▪ Number of active applicants to boards and commissions	107	325	325
▪ Number of active boards and commissions	32	34	34
▪ Number of active members to boards and commissions	284	283	283
▪ Number of district meetings held by the administration	8	8	8
Disseminate information to County personnel, the general public and the media so they can be aware of the County issues, policy decisions and services			
▪ Percent of media calls responded to within 30 minutes	99%	99%	99%
▪ Percent of general public calls responded to within 2 hours	90%	90%	90%
▪ Number of mayor's live call-in radio shows (average 3 per week)	138	144	144
▪ Number of mayor's live call-in television shows	23	24	24
▪ Number of Boards and Commissions meetings aired by Akaku	24	24	24
▪ Number of Boards and Commissions broadcast hours on Akaku	477	384	384
▪ Number of County press inquiries handled	287	300	300
▪ Number of County press releases	490	350	350
▪ Number of Proclamations/Certificates of Achievements	1,212	1,000	1,000
▪ Number of documents edited for County departments for public information	418	200	300
▪ Number of general information calls/requests handled	5,869	5,000	5,000
▪ Number of complaints handled	1,158	1,000	1,000

Administration Program

Performance Measures (Continued)

	FY05 Actual	FY06 Projection	FY07 Projection
Promote and recognize organization and individual achievements in the community			
▪ Number of mayor's correspondences handled	279	400	400
▪ Number of mayor's meetings with groups/organizations	1,676	1,800	1,800
▪ Average mayor's weekly meetings with groups/organizations	36	36	36
Promote, support and coordinate County's environmental concerns/policies			
▪ Number of active environmental projects/concerns	27/135	15/130	20/130
▪ Number of initiatives sponsored/partnered by the County in educating the public about environmental issues	41	35	35
▪ Number of invasive species initiatives and meetings with partner organizations	76	70	70
▪ Number of participants in County sponsored/partnered events regarding environmental awareness/concerns	1,195	500	800
▪ Number of projects examined for environmental review	30	40	30
Facilitate both fiscal responsibility and public accountability in the allocation of County's financial resources			
▪ Mayor's Proposed Budget received Government Financial Officers Association (GFOA) Distinguished Budget Award	Yes	Yes	Yes
▪ Number of budget details copies distributed to the County Council	21	9	21
▪ Number of program budget copies distributed	130	130	130
▪ Number of budget synopsis copies distributed	700	700	700

Accomplishments for Calendar Year 2005

- Launched radio, TV, MVB, MHA Security, and Civil Defense communication tree, enabling the rapid dissemination of emergency county communications (e.g., major roadway closures, fire, other large events) to the media for delivery to our community and to Maui hotels' security for distribution to our visitor population

Administration Program***Accomplishments for Calendar Year 2005 (Continued)***

- Part two of this effort was to work with MPD and our Webmaster to bring this same communication effort to computers -- to eliminate the time-consuming FAX procedures that MPD has used. After months of work, we are bringing this e-notification system online March 1, 2006 and will be available, by subscription, by e-mail and text messaging
- Launched an initial review of incoming office mail to rapidly distribute same to the responsible persons in the mayor's office and to reduce the amount of non-critical, day-to-day correspondence the mayor has to deal with
- Initiated a publication routing system among the mayor, managing director, and executive assistants to make sure that all have access to the latest and most important county-related information and data
- Improved tracking of information calls and complaint procedures including the development of a "complaint" template that can be filled out electronically and sent to the applicable department for processing and resolving; has greatly sped up complaint response time
- Initiated conceptual planning for the Maui County Environmental Resource Center, to utilize the beachfront property acquired in a legal settlement at the Paia Lime Kiln site in an appropriate, public manner
- Expanded public outreach with booth displays at community events, including Earth Day, the Kokua Festival, and Haiku Ho'olaulea and Mahalo Day
- Helped acquire more funding for coqui frog control through legislative measures and work with the Hawaii Invasive Species Council
- Helped pass the Memorandum of Agreement for the Brownfields Cleanup Revolving Loan Fund
- Led the Great Appliance Cleanup Day in May, helping to ship more than 50 containers of junk appliances to recyclers on Oahu
- Designed criteria to be included in Inlands Sand Quantification Study, and issued contract
- Initiated cleanup of Kihei wetlands as pilot project for Adopt-A-Wetlands concept
- Formulated boaters questionnaire to assist in planning for the mayor's Ma'alaea Harbor pump-out program
- Partnered with MCC students through the Cooperative Education internship program

Major Fiscal Year 2007 Budget Items

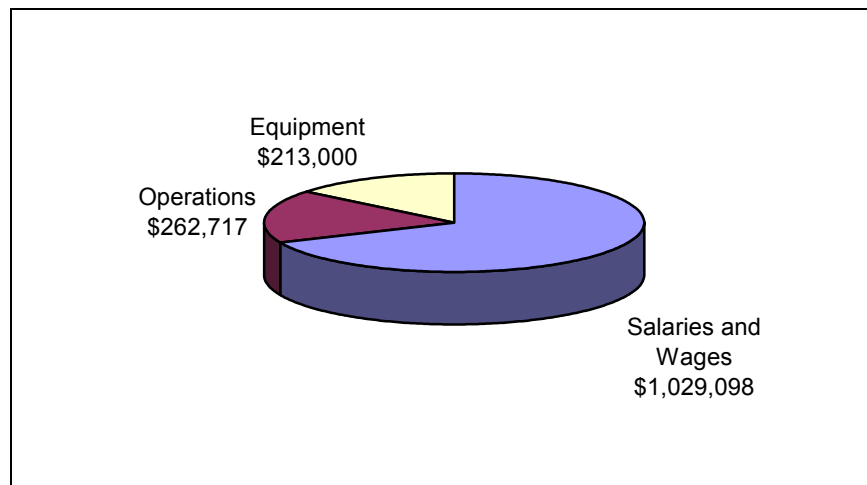
- Salaries and wages in the amount of \$1,029,098
- Operational expenses for the Akaku Boards and Commissions in the amount of \$70,000 and post-election expenses in the amount of \$30,000
- Equipment purchase of leased copy machine in the amount of \$13,000, and furniture/fixtures and improvements for the Mayor's Lounge in the amount of \$200,000

Administration Program

Expenditure Summary

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2007 Request	Change Amount	% Change
General Fund						
Salaries and Wages	801,683	853,736	948,168	1,029,098	80,930	8.5%
Operations	91,968	114,701	227,717	262,717	35,000	15.4%
Equipment	4,831	0	13,000	213,000	200,000	1538.5%
Program Total	898,482	968,437	1,188,885	1,504,815	315,930	26.6%
Grant Revenue						
Salaries and Wages	0	0	0	0	0	n/a
Operations	0	2,000	2,000	2,000	0	n/a
Equipment	0	0	0	0	0	n/a
Program Total	0	2,000	2,000	2,000	0	n/a

FY 2007 Budget by Expenditure



Economic Development Program

Program Description

The County of Maui Office of Economic Development (OED)'s mission is to promote and nurture sustainable economic development within Maui County consistent with the community's needs and priorities. OED works in partnership with the community, business and government sectors to strengthen and diversify the economy by supporting existing businesses, and by assisting in the attraction, development and expansion of new businesses. OED's efforts contribute to the increase in tax base, creation of jobs and improvements in the overall quality of life within the community.

Goals

- Foster and sustain long-term economic growth for the County of Maui
- Utilize the islands' competitive advantage to promote Maui County as a community where people may live, learn, work, shop and play

Objectives for Fiscal Year 2007

- Support existing businesses and industries
- Assist in the attraction, development and expansion of new and developing businesses and industries through partnerships with the community and other agencies
- Support the continued revitalization efforts of Wailuku Redevelopment Area as a center of economic activity
- Develop and maintain local, regional, national and international alliances to advance Maui County's economic development strategy
- Support workforce development efforts to provide a competitive workforce in Maui County
- Maintain a well-rounded community in terms of recreational, cultural, educational and healthcare opportunities

Performance Measures

	FY05 Actual	FY06 Projection	FY07 Projection
▪ Number of businesses/entrepreneurs served at the Maui County Business Resource Center	1,301	1,350	1,400
▪ Inquiries to the Business Research Library	1,225	1,300	1,350
▪ Number of sister/friendship city delegations visiting Maui County	12	5	6
▪ Number of attendees at OED's HTA Product Enrichment Program events	156,923	160,000	162,500
▪ Number of contacts made by film commissioner	235	300	325
▪ Dollar value of film, TV & video projects in Maui County	\$5,433,400	\$5,500,000	\$5,525,000

Economic Development Program***Accomplishments for Calendar Year 2005***

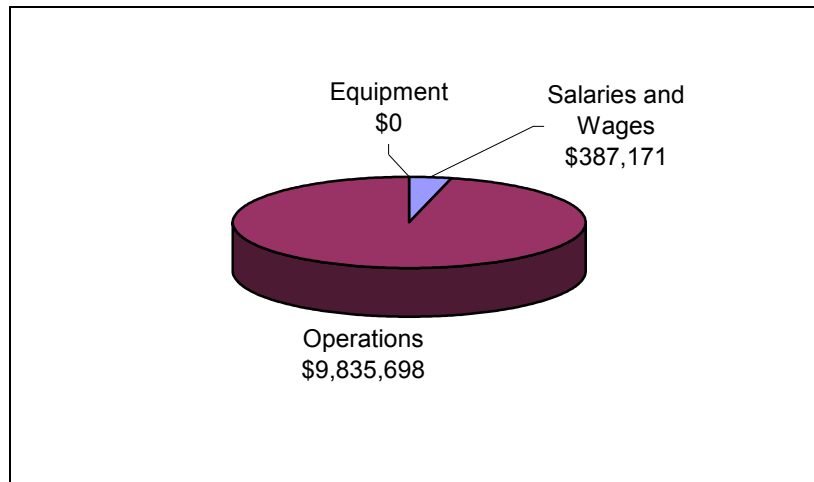
- Initiated and sponsored Maui County's first Sister Cities Festival, the purpose of which was to strengthen our relationships with our sister and friendship cities to exchange educational, medical, cultural, and business ideas and information to benefit mutual constituencies with our cities abroad. Furthermore, it brought more people to our islands and gave us the opportunity to showcase Maui Nui
- Introduced legislation to the Maui County Council for review, discussion and action; specifically, the Wailuku Property Tax Abatement Ordinance and a resolution to provide two additional enterprise zones in Maui County
- In partnership with the Hawaii Tourism Authority, coordinated an annual county program to provide enrichment activity and cultural events for residents and visitors including: the Chinese New Year in Central and West Maui, East Maui Taro Festival, International Festival of Canoes, Moloka'i's Ka Hula Piko, Somos Amigos, LifeFest and Lana'i's Pineapple Festival
- Provided administrative assistance to the Cruise Ship Task Force which completed its report in August 2005. The report serves as an informal introduction to the cruise ship industry on Maui and its broad implications for our community, and as a starting point for further study and discussion to inform decision-makers about the future of this industry on Maui. The report is accessible at <http://www.mauicounty.gov/mayor/cstf.htm>
- Established the Mayor's Lao Theatre Restoration Initiatives Task Force to look into the future potential of Wailuku's historic Lao Theatre. The report on Lao Theatre may be downloaded at <http://www.co.maui.hi.us/mayor/economic/laoTheaterRpt.pdf>
- Assisted 1,301 individuals through the Maui County Business Resource Center. They made a total of 1,458 visits to the center for various services (business library, workshops, counseling, use of computer bank, etc.)

Major Fiscal Year 2007 Budget Items

- Salaries and wages in the amount of \$387,171
- Operational expenses for office space rentals at One Main Plaza in the amount of \$59,628, rentals and utilities for the Kuhao Business Center in the amount of \$24,000, and County grant subsidy in the amount of \$9,713,270 (please see FY 2007 Line Item Grant Summary on page 12-11)

Economic Development Program***Expenditure Summary***

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2007 Request	Change Amount	% Change
General Fund						
Salaries and Wages	241,771	239,359	254,791	387,171	132,380	52.0%
Operations	5,665,434	6,131,013	7,007,170	9,835,698	2,828,528	40.4%
Equipment	6,639	0	0	0	0	n/a
Program Total	<u>5,913,844</u>	<u>6,370,372</u>	<u>7,261,961</u>	<u>10,222,869</u>	<u>2,960,908</u>	<u>40.8%</u>
Grant Revenue						
Salaries and Wages	137,043	137,043	219,168	214,630	-4,538	-2.1%
Operations	4,102,531	3,056,007	4,733,267	5,158,267	425,000	9.0%
Program Total	<u>4,239,574</u>	<u>3,193,050</u>	<u>4,952,435</u>	<u>5,372,897</u>	<u>420,462</u>	<u>8.5%</u>

FY 2007 Budget by Expenditure

Economic Development Program***FY 2007 Line Item Grant Summary***

Grant	FY 05 Actual	FY 2006 Appropriated	FY 2007 Request
Agriculture Promotion	\$ 135,900	\$ 135,900	\$ 135,900
Aloha Week Festivals for Maui, Lanai, Molokai and Hana	40,000	40,000	40,000
Aquaculture/Marine Resources Development	60,000	60,000	60,000
Business Research Library	110,000	130,000	135,000
Cane Top Utilization Study (Maui Cattlemen's Association)	50,000	0	0
Centennial Celebration	50,000	20,000	0
East Maui Cultural/Economic Development Program	40,000	75,000	75,000
Environmental Protection	392,417	600,000	600,000
Filipino Centennial Celebration	0	25,000	0
Film Industry Promotion	78,391	85,000	85,000
Hawaii College of Tropical Agriculture and Human Resources for Extension and Research Projects in Maui County	0	100,000	98,500
Historical/Cultural Preservation Projects	0	50,000	0
Islands of the World's Conference IX	0	0	35,000
Lokahi Pacific - Blue Hawaii Building Project	0	0	300,000
Maui Arts and Cultural Center	400,000	400,000	450,000
Maui Community College Four-Year Degree Program	0	0	2,000,000
Maui County Farm Bureau	75,000	150,000	200,000
Maui Economic Development Board	284,997	535,000	325,000
Maui Economic Opportunity, Inc. for Microenterprise	150,000	150,000	190,000
Maui Long Term Care Partnership Caregiver Pilot Project	0	20,000	20,000
Maui Nui Botanical Gardens	75,000	125,000	125,000
Maui Redevelopment Agency	0	80,000	295,000
Maui Soil/Water Conservation District	33,800	38,870	38,870
Maui Visitors Bureau	3,500,000	3,500,000	3,850,000
MECO Photovoltaic Systems Program	0	0	150,000
Molokai Economic Development and Cultural Program	69,795	169,900	70,000
Molokai Livestock Cooperative	50,000	0	0
Small Business Promotion	94,571	100,000	100,000
Soil/Water Conservation Districts - Molokai and Lanai	10,000	10,000	10,000
Solar Water Heater Initiatives	100,000	100,000	0
Sports Tourism Development	0	0	50,000
U.H. Maui Sea Grant Program	52,124	0	0
United States Geological Survey for Na Wai Eha Stream Studies	0	75,000	75,000
Wailuku Business Center (Lokahi Pacific)	102,300	0	0
Watershed Protection	200,000	200,000	200,000
Total Grants \$	<u>6,154,295</u>	<u>6,974,670</u>	<u>9,713,270</u>

E-Tech Program (Efficiency through Technology)

Program Description

The E-Tech Program manages various projects aimed at improving efficiency and accuracy in County operations. The focus is on projects that require the executive level of management support. These projects include cross-departmental actions, use of the central high speed network and department/division projects that will greatly affect the general public. Examples of the past/present projects managed include: Implementation of a high-speed countywide network; installation of a centralized park facilities reservations system; upgrade of the KIVA land information system; and replacement of the human resources, payroll and time and attendance systems.

Goals

- Enhance management performance by identifying community concerns and tracking the effectiveness of County government in meeting the needs and expectation of the community
- Incorporate available technology in enhancing County government operations

Objectives for Fiscal Year 2007

- Track/monitor the effectiveness of County services
- Provide user-friendly technology in order to increase the usage of the current technological infrastructure in the County

Performance Measures

	FY05 Actual	FY06 Projection	FY07 Projection
▪ Level of community satisfaction (annual survey)	91%	91%	91%
▪ Percent of the top seven community concerns addressed/corrected	57%	57%	57%
▪ Number of top seven concerns as identified by the satisfaction survey that have been addressed that have positive impact	4	4	4
▪ Number of active or ongoing project	3	4	4
▪ Number of new initiatives	0	3	3
▪ Number of projects completed this fiscal year	3	4	4

Accomplishments for Calendar Year 2005

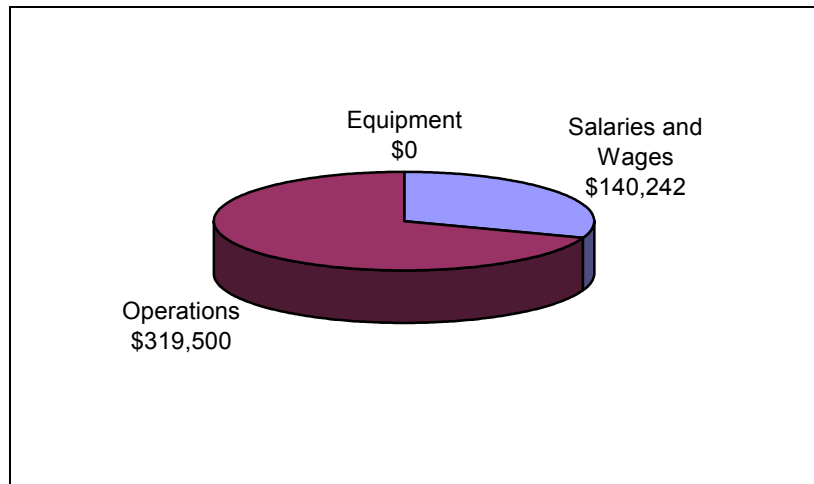
- Completed the annual satisfaction survey
- Implemented the core payroll system

E-Tech Program (Efficiency through Technology)**Major Fiscal Year 2007 Budget Items**

- Salaries and wages in the amount of \$140,242
- Operational expenses for other services in the amount of \$319,500, which includes the customer satisfaction project in the amount of \$35,000, HR/Payroll and Time and Attendance in the amount of \$20,000, utility billing project in the amount of \$250,000, and SERV Project in the amount of \$14,500

Expenditure Summary

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2007 Request	Change Amount	% Change
General Fund						
Salaries and Wages	125,256	123,966	132,725	140,242	7,517	5.7%
Operations	17,239	82,526	277,500	319,500	42,000	15.1%
Equipment	8,891	1,629	0	0	0	n/a
Program Total	151,386	208,121	410,225	459,742	49,517	12.1%

FY 2007 Budget by Expenditure

Community Development Block Grant Program (CDBG)***Program Description***

The Community Development Block Grant (CDBG) program is the Federal Government's primary program for promoting community revitalization throughout the country. The U.S. Department of Housing and Urban Development (HUD) Community Planning and Development (CPD) provides grants to assist local governments in meeting their community development needs to primarily benefit low- and moderate-income persons and families. Resources may also be used to aid in the prevention or elimination of slums or blight, or may include activities which are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs.

Maui County applies for funds under a program entitled the HUD-Assisted Small Cities CDBG each year. The CDBG Small Cities funds are allocated to the counties of Kauai, Hawaii and Maui on a formula basis. The formula, as established by HUD, is based on the County's population, the extent of poverty and the extent of housing overcrowding. However, HUD may reduce the County's allocated amount if the County is not utilizing the grant amount effectively and efficiently, and/or is found not in compliance with program requirements.

The CDBG Program Office is directly responsible for the administration and management oversight of the CDBG funds allocated by the U.S. Department of Housing and Urban Development to the County of Maui. Primarily, this includes (1) applying for CDBG funds annually; (2) developing strategic plans to assist in meeting community development priority needs and goals; (3) designing and enforcing systems, processes and controls to select projects and conduct program activities to effectively manage and implement the CDBG Program; (4) monitoring all projects to ensure compliance with federal regulations and HUD strategic goals and national objectives; (5) addressing all federal reporting requirements; (6) fulfilling all HUD and County outcome performance measurements; (7) providing guidance to the Mayor and the Administration, County Council and general public as necessary to effectively accomplish the community development goals established; and (8) acting as the liaison between the County of Maui and HUD.

The County's CDBG Program is administered to meet major objectives in five categories based on the Consolidated Plan: (1) Public Facilities and Infrastructure Improvements, (2) Public Service, (3) Economic Development, (4) Elimination of Slum and Blight and (5) Planning and Program Administration. The CDBG Program Office is responsible for developing plans to assist in anticipating community needs, health and safety, and to provide the guidance necessary to accomplish the goals established, and conduct program administrative activities necessary to effectively manage and implement the CDBG and other federal programs for the County of Maui.

In administering the CDBG Program, the CDBG Office seeks partnerships with private nonprofit organizations to engage them in positively impacting community needs. It is through public-private partnerships, that community development priorities are effectively achieved.

Goals

The Community Development Block Grant (CDBG) is one of four divisions within the Office of the Mayor. The goals of the CDBG Program were developed in alignment with and in full support of the mission of the Office of the Mayor. The goals are as follows:

- Comply with pertinent Code of Federal Regulations (CFR) that stipulates the required distribution of resources among activities funded

Community Development Block Grant Program (CDBG)

Goals (Continued)

- Comply with pertinent CFR that stipulates the County's timely and proper expending of the CDBG grant amount
- Comply with pertinent CFR that stipulates the proper submission of required reports

Objectives for Fiscal Year 2007

- To address the needs of the low- and moderate-income community by accomplishing community development goals established for the CDBG Program as defined in the 2005-2009 County of Maui Consolidated Plan approved by the U.S. Department of Housing and Urban Development – Community Planning Division
- To effectively accomplish the objectives established in the County of Maui Annual Action Plan for Program Year 2006, as approved by the mayor, County Council and U.S. Department of Housing and Urban Development – Community Planning Division
- To administer the CDBG Program in full compliance with Title 24 Code of Federal Regulations, Subpart C, Part 570.
- To meet or exceed the performance measures as established for the CDBG Program for Fiscal Year 2007
- To address and properly resolve all HUD monitoring findings and concerns within twelve months after it is reported
- To achieve a favorable HUD risk assessment rating for the County of Maui CDBG program

Performance Measures

	FY05 Actual	FY06 Projection	FY07 Projection
▪ The HUD requirement of at least 70% of the total CDBG grant award is actually expended to directly benefit low and moderate-income persons is met	85.4%	83.0%	85.0%
▪ The HUD requirement that not more than 15% of the total CDBG grant award is actually expended for public service activities is met	0.2%	3.0%	3.0%
▪ The HUD requirement that not more than 20% of the total CDBG grant amount is actually expended for planning and program administrative activities	14.6%	17.2%	18.1%
▪ Ensure that the HUD annual timeliness requirement of not more than 1.50 is met within the required timeframe	1.44	1.49	1.49
▪ Collect, analyze and evaluate pertinent project information and prepare required HUD annual reports (Annual Action Plan, Consolidated Plan, and Comprehensive Annual Performance Evaluation Report) in compliance with federal regulations	100%	100%	100%

Community Development Block Grant Program (CDBG)

Performance Measures (Continued)

	FY05 Actual	FY06 Projection	FY07 Projection
<ul style="list-style-type: none"> Submit required HUD annual reports timely within the required timeframe, or obtain an extension with authorized waiver 	100%	100%	100%

Accomplishments for Calendar Year 2005

The accomplishments of the CDBG Program office include (1) continued improvements to program administration procedures and its internal controls to maintain HUD's favorable risk rating; (2) update of the HUD project management system, Integrated Disbursements and Information System (IDIS) to account for all project activity from its implementation in 1998 to current; (3) the major redesign of the application, review and selection process of CDBG projects to establish a credible and equitable evaluation process which restored the public trust in the program; (4) achieving the HUD timeliness requirement; and (5) resolution of the 1997-2001 open projects backlog which consisted of 28 projects while maintaining support to 40 projects funded in the more current years (2002-2005).

As a federally funded program, the CDBG Program is under the continual monitoring and evaluation by the U.S. Department of Housing and Urban Development (HUD). The following are commendations received from HUD in regards to the County's favourable performance during the past year:

- HUD letter dated July 21, 2004: *"We especially want to recognize the substantial and notable improvements in the County's application review process for the CDBG Program that was implemented....We believe these changes and improvements will result in the County's current program being one of the best managed CDBG programs in the past seven years."*
- HUD-CPD cites in its Annual Community Assessment Report of the County's CDBG Program, letter dated December 16, 2004, *"It is noted that during the past year, the CDBG staff has made substantial improvements in its internal processes and procedures that have enabled them to manage projects in an effective and efficient manner as well as engaging substantial effort to update IDIS data."*
- In its letter dated July 14, 2005, HUD-CPD states: *"The Department (HUD) also wants to recognize the continued improvements in the County's application and selection and review process for the CDBG Program. The changes implemented by the County have helped to reduce the number of marginally eligible activities and helped focus on its priority goals and objectives as previously stated in its Five-Year Consolidated Plan."*
- In its most current Annual Community Assessment Report of the County's CDBG Program, letter dated November 9, 2005, HUD-CPD states: *"HUD recognizes the continued support of Mayor Arakawa and the County Council in fully implementing the improvements to the County's CDBG Program. We also want to recognize the efforts of ...[the CDBG] staff to clean up the IDIS database, continue to refine the County's CDBG project selection system, update the subrecipient agreement, and increase the professionalism of [the] staff. HUD recognizes that the implementation of these changes has required a substantial dedication of staff time and resources and commends the effort of the entire CDBG Office."*

The major accomplishments and contributions of the CDBG Program Office in this past year resulted in the CDBG Program Office's recognition as a nominee for the "Departmental Team of the Year" award amongst a select few of other County-wide departmental nominees.

Community Development Block Grant Program (CDBG)

Accomplishments for Calendar Year 2005 (Continued)

The significant improvements to CDBG establishes and solidifies the foundation for the overall successful administration of the program for future years; particularly in the monitoring of performance and accountability of results – aspects most critical to the effective management of the CDBG Program in order to continue to build and strengthen the public trust in the program and to ensure that the greatest benefit for the citizens of the County of Maui are effectively achieved.

Major Fiscal Year 2007 Budget Items

The allocation from HUD in Fiscal Year 2007 is anticipated to be reduced by 10% across the board due to proposed budget reductions by the Bush administration.

- Salaries and wages in the amount of \$209,055
- Operational expenses in the amount of \$166,330

Program administration is budgeted at 18% of the total estimated HUD allocation (HUD maximum is 20%), which includes office space rent. Due to the proposed reduction in allocation, the program administration budget for fiscal year 2007 reflects a 5% reduction of \$20,018 from prior year.

The Grants program (funding available for CDBG projects) is projected at 82% of the total estimated HUD allocation.

Expenditure Summary

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2007 Request	Change Amount	% Change
Grant Revenue						
Salaries and Wages	130,131	155,505	198,468	209,055	10,587	5.3%
Operations/Equipment	69,414	92,281	196,133	166,330	-29,803	-15.2%
Grants Programs	2,050,441	1,510,142	1,898,542	1,696,238	-202,304	-10.7%
Program Total	2,249,986	1,757,928	2,293,143	2,071,623	-221,520	-9.7%

FY 2007 Budget by Expenditure

